

Prepared by and to be returned to:
Law Offices of Robert P. Schulman
3333 New Hyde Park Road
P. O. Box 5020
New Hyde Park, New York 11042-0020

FILED AND RECORDED

Site No. 6304

96 FEB -9 AM 9:52

DAVID J. DALEY
CIRCUIT COUNTY CLERK

96 11705

MEMORANDUM OF SUBLEASE

This Short Form Lease made as of this 25th day of July, 1995, between WOOLCO INC., 233 Broadway, New York, New York 10279 ("Sublandlord") and KIMSWORTH INC., 3333 New Hyde Park Road, P. O. Box 5020, New Hyde Park, New York 11042 ("Subtenant").

WITNESSETH:

For and in consideration of One Dollar (\$1.00) and other consideration paid and to be paid by Subtenant to Sublandlord, Sublandlord does demise and let unto Subtenant and Subtenant does take and hire from Sublandlord, upon the terms and conditions and subject to the limitations more particularly set forth in a certain agreement between Sublandlord and Subtenant bearing even date herewith (the "Sublease") the premises more particularly described on Schedule A attached hereto and incorporated herein (said Schedule A being identical to the Schedule A attached to the "Prime Lease" as defined in the Sublease), together with all alley rights, if any, easements, rights and appurtenances in connection therewith or thereunto belonging.

The Sublease contains provisions (all of which are hereby incorporated by this reference as if fully set forth at length and notice of all of which is hereby given) including but not limited to the following:

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|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) <u>Name and address of Sublandlord:</u> | Woolco Inc.
233 Broadway
New York, NY 10279 |
| (b) <u>Name and address of Subtenant:</u> | Kimsworth Inc.
3333 New Hyde Park Road
P. O. Box 5020
New Hyde Park, NY 11042 |
| (c) <u>Demised Premises under the Sublease:</u> | As described on <u>Schedule A</u> attached hereto and incorporated herein |
| (d) <u>Term of Sublease:</u> | 1/30/2000 |
| (e) <u>Renewal Options:</u> | 4 - up to five years each |
| (f) <u>Regarding "Servicing Agreement":</u> | Pursuant to a certain "Servicing Agreement" entered into between Sublandlord and Subtenant (and others) all rent payable by any "Existing Subtenant" (as defined in the Servicing Agreement) shall be paid to Subtenant Kimsworth Inc. |
| (g) <u>Regarding Article 31 of Prime Lease; Rights to Purchase; Rights of First Refusal; Rights to Expand:</u> | (A) Reference is made to Article 31 of the Prime Lease (entitled "Restrictive |

FW6304.MEM/LEGAL/LR

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42264 Return To
National Code Corporation
225 W. 34th St., Suite 2110
New York, N.Y. 10122
(800) 221-0102 (212) 947-7200



Covenant"). To the extent available to Sublandlord, any rights of Sublandlord pursuant to Article 31 are intended to be enforced for the benefit of Subtenant pursuant to the terms and conditions of the Servicing Agreement, which rights are hereby granted to Subtenant by Sublandlord.

(B) Sublandlord covenants and agrees that if any rights to purchase and/or rights of first refusal to purchase the fee title to the Demised Premises or the Entire Premises or other rights of purchase belonging to Sublandlord pursuant to the Prime Lease, as well as all rights to expand the Demised Premises belonging to Sublandlord pursuant to the Prime Lease, become effective, Subtenant shall have the benefit of such rights to the extent available, and if Subtenant desires Sublandlord to exercise such rights, Sublandlord shall exercise such rights and shall fully cooperate with Subtenant in every way in order to enable Subtenant, at Subtenant's sole cost and expense, to effect the expansion of the Demised Premises or consummation of the desired purchase by Subtenant, as the case may be. The agreement of the parties regarding the election for and exercise of such rights to purchase or first refusal and expansion is contained in the Servicing Agreement.

The Sublease also provides that without Subtenant's prior written consent, Sublandlord shall not sublet or attempt to sublet the Demised Premises, nor grant any consents under the Prime Lease, nor amend, alter, modify, renew, extend, cancel or terminate the Prime Lease, nor assign,

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 12th day of January, 1996, before me personally appeared Joseph F. Grabowski and Jack F. O'Hara, personally known and acknowledged themselves to me (or proved to me on the basis of satisfactory evidence) to be Vice President, and the Assistant Secretary, respectively, of WOOLCO INC., and that as such officers, being duly authorized to do so pursuant to its by-laws or a resolution of its Board of Directors, executed, subscribed and acknowledged the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves in their authorized capacities as such officers as their free and voluntary act and deed and the free and voluntary act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Brenda A. Secker
Notary Public

BRENDA A. SECKER NEMCEK
Notary Public, State of New York
No. 01675017094
Qualified In New York
Commission Expires Sept. 7, 1997

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this day of , 1995, before me personally appeared and , personally known and acknowledged themselves to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, and the Assistant Secretary, respectively, of WOOLCO INC., and that as such officers, being duly authorized to do so pursuant to its by-laws or a resolution of its Board of Directors, executed, subscribed and acknowledged the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves in their authorized capacities as such officers as their free and voluntary act and deed and the free and voluntary act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF NASSAU)

On this 28th day of September, 1995, before me personally appeared Michael E. Parry and Richard Ridloff, personally known and acknowledged themselves to me (or proved to me on the basis of satisfactory evidence) to be the President, and the Secretary, respectively, of KIMSWORTH INC., and that as such officers, being duly authorized to do so pursuant to its by-laws or a resolution of its Board of Directors, executed, subscribed and acknowledged the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves in their authorized capacities as such officers as their free and voluntary act and deed and the free and voluntary act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Linda Protitch
Notary Public
LINDA PROTITCH
NOTARY PUBLIC, State of New York
No. 30-4578621
Qualified in Nassau County
Commission Expires, May 31, 1988

APPENDIX 1

96 11705

This Memorandum of Sublease is made solely for the purpose of recording the existence of the Sublease in the public records, and it is not intended to modify the Sublease in any way. If there is any conflict or discrepancy between the provisions of this Memorandum of Sublease and the Sublease, the provisions of the Sublease shall prevail.

SCHEDULE A

Premises located at 4000 McCain Boulevard, North Little Rock, AR 72116.

DEMISED PREMISES

The demised premises consist of a one-story building (with land thereunder) containing approximately 106,029 sq. ft., to be erected within the Entire Premises described below and situated as shown on the drawing attached hereto and made a part hereof, together with land measuring 45' x 85' situated at the northeasterly corner of the one-story building and shown as "Garden Shop - Sales Area" on said drawing.

ENTIRE PREMISES

The Entire Premises consist of all that certain lot, piece or parcel of land together with the improvements thereon, being located in the City of North Little Rock, County of Pulaski, State of Arkansas, being the same land shown on the drawing attached hereto and made a part hereof, and more particularly described as follows:

Lot 1, Block 2, McCain Mall Addition to the City of North Little Rock, as shown by the plat of record in the office of the Recorder of Pulaski County, Arkansas, in Plat Record Book 29, page 40; and, the notes and bounds description of said Lot 1 being, a tract of land in SE 1/4 of NW 1/4 and NE 1/4 of SW 1/4, Section 19, Township 2 North, Range 11 West, described as, beginning at an iron pin which marks the Southwest corner of SE 1/4 of NW 1/4 of said Section 19, which pin is also the Southeast corner of Lot 9, Block 44, Lakewood;

thence South 89 degrees 43 minutes East for 30 feet;

thence North on a line parallel to and 30 feet East of the West line of SE 1/4 of NW 1/4 of said Section 19, and which line is also parallel to and 30 feet East of the rear property line of Lots 5 through 9 of said Block 44, for 569.38 feet to a point which is the Southwest corner of Lot 2, Block 2, McCain Mall Addition to the City of North Little Rock;

thence South 82 degrees 47.25 minutes East for 128.66 feet to an iron pin;

thence North 39 degrees 38.5 minutes East for 115 feet to an iron pin on the Southerly right-of-way line of McCain Boulevard;

thence South 50 degrees 21.5 minutes East along the said Southerly right-of-way line for 241.68 feet to an iron pin which is the point of curve of a curve to the left;

thence along the said Southerly right-of-way line by a curve to the left, having a radius of 1,160.86 feet and by a chord bearing South 61 degrees 48.5 minutes East for 460.55 feet to an iron pin;

thence South 25 degrees 21 minutes West for 200 feet to an iron pin;

thence South 64 degrees 39 minutes East for 180 feet to an iron pin on the Westerly right-of-way line of U.S. Highway Nos. 67-167;

thence South 25 degrees 21 minutes West along the said Westerly right-of-way line for 418.14 feet to an iron pin which is the point of curve of a curve to the right;